REMARKS

Applicants thank the Examiner for the courtesy of a telephonic interview on June 26, 2008. Applicants Walter Szrek and Irena Szrek, and Applicants' representative James J. Barta, Jr. discussed the claims with Examiners Gart and Iwarere in view of the cited references. No demonstration was given, no agreement on allowable subject matter was reached, and no exhibit was shown.

Applicants have thoroughly considered the Examiner's remarks in the May 29, 2008 Office Action. Claims 1-22 stand rejected. Applicants have amended claims 1, 17, and 18 in this Amendment C. Claim 23 has been added, and no new subject matter has been added. Applicants respectfully request reconsideration of the claims as amended and in view of the following remarks.

To advance prosecution, the Examiner is invited and encouraged to telephone the undersigned to discuss any matters relating to the prosecution of the present application.

I. Rejection of Claims 1-18 and 20-22 Under 35 U.S.C. § 103(a)

Claims 1-18 and 20-22 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6,267,760 to Walker et al. ("Walker") in view of U.S. Patent No. 5,216,595 to Protheroe ("Protheroe"). Applicants disagree, but have amended independent claim 1 for clarity.

Walker discloses a single point-of-sale terminal that generates a lottery ticket and performs merchandise transactions. The system of Walker is a single terminal system

that does not include a separate lottery ticket system and terminal.

In contrast, the present application is directed to a two-terminal system. An apparatus <u>not connected</u> to a point-of-sale terminal prints a ticket with machine-readable means. The printed ticket has <u>no play value until activation</u>. The machine-readable means corresponds to the bet combinations <u>selected by the player</u>. The point-of-sale terminal receives data identified by the machine-readable means and activates the ticket <u>after</u> receiving the data. A receipt is printed after activation of the ticket, and includes proof of payment and activation of the ticket.

This is completely different from the system taught by the Walker reference and the Protheroe reference. Neither the Walker system nor the Protheroe system teach the pre-printing of tickets at an apparatus not connected to the point-of-sale terminal. In fact, Walker teaches away from the present application by identifying problems with existing two-terminal systems, and by disclosing only a single-terminal solution to the problem (see Walker, col. 2). No combination of the cited art can reasonably be interpreted to teach or suggest the present invention as recited in independent claim 1 for at least these reasons.

Dependent claims 2-18 and 20-22 dependent from and further limit independent claim 1. Applicants submit that claims 2-18 and 20-22 are patentable for at least the same reasons that independent claim 1 is patentable.

Further, dependent claims 5 and 10-16 recite various security-related aspects of the present application. None of the cited art teaches or suggests the kind or use of security

information as recited in claims 5 and 10-16. The security information recited in these claims ensures that the tickets cannot be recreated with the information available in the lottery system, as a fraud prevention measure. None of the cited art, including Walker and Protheroe, teaches or suggests such security-related aspects.

Accordingly, the cited art including Walker and Protheroe fails to teach or suggest the method as recited in claim 1. As such, Applicants request that the Examiner remove the rejection of claims 1-18 and 20-22 in view of Walker and Arias.

II. Rejection of Claim 19 under 35 U.S.C. § 103(a)

Claim 19 stands rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6,267,760 to Walker et al. ("Walker") in view of U.S. Patent No. 5,216,595 to Protheroe ("Protheroe") and further in view of U.S. Patent No. 2004/0049427 to Tami et al. ("Tami"). Applicants disagree. Claim 19 depends from, and further limits, independent claim 1. Applicants submit that claim 19 is patentable for at least the same reasons that independent claim 1 as amended is patentable. None of the cited art, along or in combination, teaches or suggests all the limitations of claim 19. Accordingly, Applicants request that the rejection of claim 19 be removed.

Claim 23 has been added. None of the cited art teaches or suggests the limitations of claim 23. Applicants submit that claim 23 is allowable for at least the reasons identified above.

Conclusion

It is felt that a full and complete response has been made to the Office action and, as such, places the application in condition for allowance. Such allowance is hereby respectfully requested.

Although the prior art made of record and not relied upon may be considered pertinent to the disclosure, none of these references anticipates or makes obvious the recited aspects of the invention. The fact that Applicants may not have specifically traversed any particular assertion by the Office should not be construed as indicating Applicants' agreement therewith.

The Commissioner is authorized to charge Deposit Account No. 012-384 for any fees incurred during the entire pendency of this application.

Respectfully submitted,

/James J. Barta, Jr./

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